

Connecticut Funeral Directors Association, Inc.

364 Silas Deane Highway
Wethersfield, CT 06109
(860) 721-0234

Written Testimony of
Randy Molloy, Co-Chair of the Legislative Committee
John Carmon, Past President of CFDA and NFDA

SB 189, An Act Concerning Irrevocable Funeral Service Contracts

General Law Committee
Public Hearing
February 23, 2016

Good afternoon Senator Leone, Representative Baram, Senator Witkos, Representative Carter and the distinguished members of the General Law Committee. My name is Randy Malloy and I am the Legislative Committee Co-Chair of the Connecticut Funeral Directors Association (CFDA), CFDA represents 220 funeral homes. I'm also a licensed funeral director and the owner of the Molloy Funeral Home in West Hartford. With me today is John Carmon from the Carmon Funeral Homes. John is a past president of the Connecticut and National Funeral Directors Associations. We thank you for raising Senate Bill 189, An Act Concerning Irrevocable Funeral Service Contracts.

The Connecticut Funeral Directors Association expresses full support of Senate Bill 189, a proposal that will allow Connecticut residents the opportunity to personally pre-fund an irrevocable funeral trust with a licensed funeral home, in an amount not to exceed \$8,000 without impacting their eligibility for Medicaid.

The present irrevocable trust cap of \$5,400 has been in effect since July 1, 1997. Surely this committee must recognize that a nearly 20-year cap is outdated by all standards of today's costs, inflation and price disparities in the counties of the State. Furthermore, Connecticut is not in-line with our neighboring states, the entire Northeast with regard to the amount allowed to pre-fund an irrevocable trust. Forty-five states allow their residents to pre-fund their final wishes in an irrevocable funeral trust without a cap.

If approved, this proposal will have a positive impact on the ability of any Connecticut resident to choose and have the option to pre-fund more completely, if not in full, the funeral and memorial or cremation service of their choice. Individuals will be able to choose a funeral based on family customs, religious beliefs and financial affordability. This type of a funeral trust helps to reduce the out-of-pocket funeral expenses of survivors at the time of death. Since many Connecticut funeral homes continue to offer guarantees on their services and merchandise with paid-in-full pre-funded contracts, this proposal stands to promote peace of mind for thousands of Connecticut residents as they pre-plan their funeral.

CFDA continues to be grateful of this committee's willingness to hear of this long overdue cap increase issue. We ask that you support this proposal – the ability to allow any Connecticut resident the option to prefund an irrevocable trust, from their own funding sources, up to \$8,000 without impacting their Medicaid eligibility. The \$2,600 increase is simply a cost of living adjustment for the past 19-years.

Thank you for your consideration of this testimony and we are available to answer any questions that you may have.